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FISCAL IMPACT STATEMENT

LS 6585

BILL NUMBER: SB 252

NOTE PREPARED: Dec 10, 2002

BILL AMENDED:

SUBJECT: Occupational Therapists and Psychologists.

FIRST AUTHOR: Sen. Alting

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill adds licensed psychologists to the health care professionals regulated under the home health agency statutes. The bill also establishes a licensure program for occupational therapists and grants occupational therapist licensure to previously certified occupational therapists.

Effective Date: July 1, 2003.

Explanation of State Expenditures: *Licensed psychologists under home health agency law* - The State Department of Health may see an increase in administrative expenditures if more psychologists apply for licensing of a home health agency. As of October 21, 2002, the Health Professions Bureau reported 1,413 licensed psychologists and 61 licensed psychology corporations in existence.

Background - The Department of Health already administers the home health agency license fees for the following health professions: physicians, dentists, chiropractors, podiatrists, optometrists, nurses, physical therapists, speech language pathologists/audiologists, speech language pathologist or audiologist aides, occupational therapists, and occupational therapist assistants.

Explanation of State Revenues: *Licensed psychologists under home health agency law* - Under the bill, revenues may increase if licensed psychologists apply for licensing as a home health agency. Currently, the fee is \$100 collected annually. In FY 2002, the State Department of Health collected \$33,900 in home health agency license fees from approximately 339 home health agencies. These fees are deposited into the state General Fund.

Under current law, violations of the home health agency statute could result in the State Health

Commissioner imposing a civil penalty not greater than \$10,000. Additionally, there are several criminal penalties for violation of the home health agency statute. Current law provides for a Class A misdemeanor and a Class A infraction, depending on the violation. Adding licensed psychologists to the home health agency law increases the number of licensed professionals who could potentially violate the home health agency law.

Penalty Provision - Class A misdemeanor/Class A infraction: If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class A misdemeanor is \$5,000. Criminal fines are deposited in the Common School Fund. The maximum judgment for a Class A infraction is \$10,000, which is deposited in the state General Fund. If the case is filed in a circuit, superior, or county court, 70% of the court fee (\$120 for misdemeanors; \$70 for infractions) that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

Occupational Therapy Licensing - The Health Professions Bureau reported that as of October 21, 2002, 2,504 occupational therapists and 753 occupational therapy assistants held a certificate to practice and would be affected by the bill. Under the bill, the Bureau would not have to issue replacement pocket cards or wall licenses to occupational therapists certified on June 30, 2003, when converted to licensure on July 1, 2003. Currently, the Bureau charges \$10 for duplicate licenses, which may be charged to occupational therapists and assistants if additional licenses are requested. This provision is set to expire in the month that occupational therapists and assistants have their next renewal, December 2004.

In FY 2002, the Health Professions Bureau collected \$22,575 in fees relating to occupational therapy. All fees collected concerning occupational therapy are distributed into the state General Fund.

Explanation of Local Expenditures: *Class A misdemeanor for violation of home health agency statute -* A Class A misdemeanor is punishable by up to one year in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: *Class A misdemeanor/Class A infraction for violation of home health agency statute -* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the court fee (\$120 for misdemeanors; \$70 for infractions) that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: State Department of Health; Health Professions Bureau; Occupational Therapy Committee; Medical Licensing Board.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Health Professions Bureau; Office of the Auditor of State.

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